

*NRDC Comments to CARB on Scenarios – May 30, 2008*

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**From:** Kristin Grenfell, NRDC (kgrenfell@nrdc.org; 415-875-6100)  
**To:** California Air Resources Board Staff (ccplan@arb.ca.gov)  
**Re:** NRDC Comments on Cost-Containment  
**Date:** May 30, 2008

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NRDC thanks CARB for holding the scenarios workshop on May 19, 2008. We are glad to hear that CARB intends to get a majority of the emission reduction in the state through regulatory measures, and look forward to seeing the draft scoping plan and further modeling. We submit these brief comments in response to the presentations and discussion at that workshop.

**CARB should model the impact of offsets on innovation.**

During the May 19 workshop, CARB staff stated that they will not model the impact of offsets on innovation. Professor David Roland-Holst indicated that it would be technically possible to do this modeling. All parties agree that it is important to spur innovation. In previous comments to CARB on Offsets and Cost-Containment, many parties based their endorsement of different policies on claims that those policies would encourage innovation. It is very important for CARB to have the best information possible when making policy choices to support California's innovation leadership. In order to gain further information and better inform its policy decisions, CARB should include the impacts of offsets on innovation in its modeling of Scoping Plan scenarios.